## United States Senate

WASHINGTON, DC 20510

April 24, 2008

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PERMANENT SUBCOMMITTEE **ON INVESTIGATIONS** 

Hon. Robert M. Gates Secretary of Defense 1000 Defense Pentagon Washington, D.C. 20301

Dear Secretary Gates,

I wanted you to be aware that on April 17th and again today I sent a letter to Secretary of the Air Force Michael Wynne regarding the Department of Defense Inspector General report that outlines improprieties involved with the Air Force award of a \$50 million contract for Thunderbird Air Show Production Services (TAPS). I am deeply concerned with this matter and the apparent lack of corrective actions taken.

This morning, I spoke with Secretary Wynne by phone and remain concerned with the approach he has taken to this matter, including the level of importance he has assigned to holding those involved in the wrongdoing and those who established the climate that invited it accountable.

I have attached the two letters that I have sent to Secretary Wynne for your review. I know that you place stewardship of taxpayer funds among your highest priorities and, further, that you require accountability from those who misuse their influence on these matters. The more senior the leader, the higher the standard to which we must hold them. As you will note in my letters, I am particularly concerned with the actions of Air Force Chief of Staff General T. Michael Moseley and the dismissive and demoralizing message it sends to subordinates when there is a lack of disciplinary action taken against the most senior leaders who are involved in wrongdoing.

Given the levels to which this matter rises in the Department of Defense and your priorities, as well as my concerns with how Air Force leadership have handled the issue to date, I believe this matter deserves your personal attention. I look forward to discussing it with you further.

Sincerely,

CLAIRE MCCASKILL

United States Senator

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Hon. Michael W. Wynne Secretary of the Air Force 1000 Air Force Pentagon Washington, D.C. 20330

Dear Secretary Wynne,

Thank you for speaking with me today regarding the Air Force's Thunderbird Air Show Production Services (TAPS) contract. I need to again reiterate my frustration with the extent of accountability for personnel involved in this matter. I also remain deeply concerned with whether or not we are sending the correct message to our military and civilian professionals regarding their behavior as it relates to contracting, leadership responsibility and fiscal stewardship. In light of our conversation, I do not believe that you have given this matter sufficient attention nor that your remedial actions, both substantively and as to personnel accountability, are adequate.

As you are aware, the Chairman and Ranking Member of the Senate Armed Services Committee have formally asked the Department of Defense Inspector General (DoD IG) to reopen the investigation into the conduct of current and former senior Air Force officials. Specifically, Senator Levin and Senator McCain have asked that the IG review the conduct of current and former senior Air Force officials named in the report of investigation – including Air Force Chief of Staff General T. Michael Moseley – not only as to criminal conduct, but also for possible ethical violations and failures of leadership. However, provided the significant findings already identified, it is incomprehensible to me that no action has been taken to reprimand General Moseley or to evaluate his continued fitness to lead the Air Force. Further, I do not understand why Major General Stephen M. Goldfein has been permitted to continue to serve in his current capacity, given the serious findings made against him in the IG's investigation.

It is my sense that General Moseley's command authority has been compromised. The General's commitment to upholding the letter and the spirit of the law, his respect for subordinate commanders, and his devotion to properly managing tax dollars, let alone his ability to set appropriate priorities for Air Force spending during this time of warfare when budgets are extremely tight, are in direct question. Future investigations bring the potential only of more definitive and troubling findings, including criminal findings that will negatively reflect on the culture of his command and his ability to lead.

Hon. Michael W. Wynne April 24, 2008 Page 2

I would like to note, as I did when we spoke, that the message sent in the letter that you cosigned with General Moseley to Air Force leaders regarding senior leader responsibilities in ethics shows a degree of hypocrisy on General Moseley's behalf that is astonishing. The letter captures my very own sentiments on these issues, but it should have been sent direct to General Moseley, not have come from him.

Finally, it is perplexing to me that you believe that because the U.S. Attorney, in its very limited investigation into this matter, did not bring criminal charges against General Moseley that he is free and clear of any wrongdoing. I remind you of the higher standard to which we hold our military leaders—something you capture quite well in your letter on senior leader responsibilities in ethics—and of the need to review this matter for wrongdoing under the UCMJ and Joint Ethics Regulation, as well as for leadership failures. My understanding is that you have conducted no such extended review. The lack of findings by the DoD IG, either favorable or unfavorable to General Moseley, did not abrogate your responsibility to follow up on potential wrongdoing by General Moseley, particularly when the IG investigation clearly stopped short of adequate inquiry into General Moseley.

I look forward to your attention to this matter. Please know that I will be discussing this further with my colleagues and raising my concerns with Secretary Gates.

Sincerely,

United States Senator

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April 17, 2008

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Hon. Michael W. Wynne Secretary of the Air Force 1000 Air Force Pentagon Washington, D.C. 20330

Dear Secretary Wynne,

It was with great dismay that I read today's *Washington Post* article entitled "Report Finds Air Force Officers Steered \$50 Million Contract." As you know, the article details undue command influence as well as command improprieties that appear to have risen all the way to the level of the senior uniformed official in your service, Air Force Chief of Staff General T. Michael "Buzz" Moseley. The result of the improprieties was the award of a \$50 million services contract to a crony of numerous Air Force General officers. Based on the reports included in the *Post* of the extent of accountability for those involved in this contract award, I am concerned that there has been insufficient punishment and a lack of corrective actions taken. I seek your immediate attention to this matter.

I have repeatedly expressed my displeasure with the level of accountability that has been meted out on those associated with contracting improprieties – both those within the military departments and those working for the contractors. I have expressed similar displeasure with the particular lack of accountability for senior military commanders under whose watch misconduct has taken place – often, I believe, a direct result of lax and arrogant command climates that create a culture of impunity for contracting laws and, even worse, for the American taxpayer dollar.

It seems to me that a corrosive command climate that leads to major wrongdoing is something a commander should be held accountable for nearly in the same way as direct illegality – at minimum, the loss of the privilege of command, if not the privilege of continued uniformed service, is warranted. In this case, there appears a mix of direct misconduct by the officers and the establishment of command climates that engendered additional wrongdoing.

I seek additional information from the Air Force as to the circumstances under which this \$50 million contract was conceived of, competed and ultimately awarded. More importantly, I want to more thoroughly understand who has been held accountable for the misconduct and in what ways. So long as the Department of Defense continues to hold harmless the very leaders who establish the conditions under which American taxpayer dollars are spent and all too often wasted, the sorts of unacceptable circumstances as has been reported with this contract will continue.

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As a final note, I am also deeply troubled by the tenor of General Moseley's comments about this matter. General Moseley expressed a <u>wish</u> that those who noticed improprieties in the process for the award of this contract had said "stop." The people who failed to show courage in this case were not those being pressured, but the commanders who bullied them.

I look forward to hearing from you further about this matter and to your aggressive handling of the situation.

Sincerely,

CLAIRE MCCASKILL United States Senator



## Memo to Senior Leaders



THE SECRETARY OF THE AIR FORCE CHIEF OF STAFF, UNITED STATES AIR FORCE WASHINGTON DC



March 26, 2008

## MEMORANDUM FOR AIR FORCE SENIOR LEADERS

SUBJECT: Senior Leader Responsibilities in Ethics

As senior leaders, we collectively set the Air Force's ethical tone and serve as the example for all Air Force members and employees. It is imperative that we be constantly mindful of the impact, both intended and unintended, our words and actions may have on others, particularly our subordinates. Accomplishing the mission or achieving a desired outcome can never come at the expense of the law, applicable regulations, or our Core Values. Yet, when we say or imply we want something done, some may infer that we want it done at all costs and without objection or the raising of issues.

We need to be particularly vigilant of our actions in contract matters. We are accountable to the American people as stewards of public funds. We must maintain appropriate relationships with those who hope to enter into contracts with the Air Force and those who already have contracts. We must scrupulously avoid the appearance of impropriety or favoritism. Our efforts to restore public confidence and ensure openness and transparency in the acquisition process are undermined when individuals are given special access or treatment by senior leaders based on prior professional or personal relationships. Senior leader involvement in the acquisition process, even when unintended, that results in improper influence or unfair outcomes is unacceptable and violates our Core Values. I ask that every senior leader pay close attention to the rules under which we must conduct procurements. And if you are not sure about the rules, ask.

We must create an environment where our people feel they can convey "bad news" to us without fear of ridicule or retribution and reward our folks for standing up to pressures of improper influence in the contracting process. When we fail in this aspect of leadership, we not only deprive ourselves of total situational awareness, but we generate cynicism and distrust among subordinates and the next generation of Air Force leaders. Your continued vigilance in this regard will help ensure that proper focus is maintained.

Michael W. Wyane

Secretary of the Air Force

T. Michael Moseley Chief of Staff